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BYE-3005-64

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MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : Analysis of Program A, B, and D, FY 1965  
BudgetBriefing Note

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1. It seems appropriate to begin with a general impression regarding the overall comparison of the Program A, B, and D FY 1965 Budget. The most apparent and first noted is that, in the case of Program A and D's FY 1965 Budget, without exception, the funding allowed under the President's Budget was also allowed in the (S) NRO tentative program. As a matter of fact, in the case of Program A, the budget was increased [redacted]

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However, Program B's FY 1965 tentative program does not reflect the total allowed under the President's Budget and [redacted] remains to be justified. From this, it would appear that Program A and D's Presidential Budget is being allowed without additional justification; Program B is being subjected to what we consider unnecessary justification, and the implication is that where cuts can be made in Program B, the savings can be distributed between A and D.

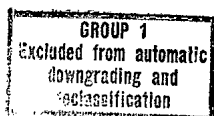
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2. To focus more specifically, the following are general comments regarding those areas within Program A that we feel might be subject to further analysis:

a. GAMBIT3 - While we are not fully aware of the total impact of the GAMBIT 3 Program nor exactly where it stands at the present time, we are under the distinct impression that

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neither the requirement for such a program exists nor would the results be sufficient to warrant this type of expenditure in view of other possibilities that exist, i.e., [ ] and Indications Satellite.

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b. New General Search - We have no knowledge of what this line item is, but at first glance it would appear that this as well as a. above would be related to [ ]

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c. Miscellaneous - While we recognize that there are many items that can and probably were broken out under this line item, it is our view that a line item of [ ] marked miscellaneous warrants further breakout.

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d. Summary - In summary, it would appear that at least a. and b. above when considered with [ ] and the Indications Satellite warrant considerable coordination and scrutiny prior to expenditure of funds. The level of funding of new programs and general advanced research appears very ample in order to keep a high-level effort going at Program A on development of new satellite systems and components.

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3. Program B - On 17 September 1963 and 20 September 1964 Program B submitted the FY 1965 Budget [ ] On 20 December we received from the DNRO an approved OSD FY 1965 budget estimate [ ] including [ ] for KEDLOCK. On 10 April 1964 we received from the [ ] NRO a request for our final FY 1965 Budget Estimate. On 5 June 1964 we were advised that so long as we remained within [ ] we could readjust our line items as we determine priorities, and were reasonably assured that the [ ] would be our basic FY 1965 budget. Our total submission at that time including KEDLOCK and the U-2L [ ] In response to our second submission, the DNRO on 24 June sent to the Director of Program B his FY 1965 tentative program approvals,

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which totaled [ ] Subsequent to our 5 June 1964 submission and the tentative Program Approval, Advanced Studies anticipated in FY 1964 have not come to fruition, and operational decisions have been made which enable us to revise our total FY 1965 budget estimate downward [ ] including KEDLOCK and U-2L. (Our reason for continually making reference to KEDLOCK is that the figures that are reflected in BYE-23042-64 for Program B do not include KEDLOCK as a line item.) As KEDLOCK represents a funding figure [ ], keeping with this most recent tentative program approval, our budget submission would be further reduced to [ ] (including the U-2L). If you consider the U-2L is in fact an addendum program (it still requires basic approval), our budget would be further reduced to [ ] increase over the President's Budget. Attached is a line item breakdown of our absolute minimum requirements versus tentative program approval.

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#### 4. Program "D"

a. EARNING (R-12) - The [ ] tentatively approved is sufficient to ensure continuation of the Program. However, it does not appear adequate to avoid the possibility of slippage in the schedule. Funding adequate to avoid such slippage is estimated to be [ ]. It is our understanding that this amount [ ] will be made available for FY 1965.

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b. TAGBOARD - At present it appears that ADP and Hycon will have to be funded in the amount of [ ] to complete their contract requirements plus another [ ] for field services and additional flight testing. This [ ] does not include any anticipated ECO's and ECP's or special equipment that is required by the air, land, and sea stations to track the drones. Every effort is being made to obtain such special equipment through military depots. It is estimated that an additional amount [ ] may be needed for ECO's, ECP's and special equipment.

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ALBERT D. WHEELON  
Deputy Director  
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Science and Technology

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